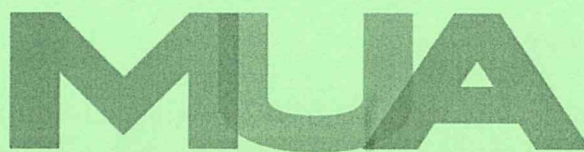


The
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POSTGRADUATE UNIVERSITY EXAMINATIONS - DECEMBER 2013

SCHOOL OF MANAGEMENT AND LEADERSHIP

DEGREE OF EXECUTIVE MASTER OF BUSINESS ADMINISTRATION



EMBA 503: ORGANIZATIONAL THEORY AND BEHAVIOUR

DATE: 11TH DECEMBER 2013

DURATION: 3 HOURS

MAXIMUM MARKS: 60

INSTRUCTIONS:

1. Write your registration number on the answer booklet.
2. **DO NOT** write on this question paper.
3. This paper contains **Four (4)** questions.
4. Question **ONE** is compulsory.
5. Answer any other **TWO** questions.
6. Question one carries **30 MARKS** and the rest carry **15 MARKS** each.
7. Write all your answers in the Examination answer booklet provided.

QUESTION ONE**JUICY COMPANY**

Mr. John is the chief executive of a medium-sized pharmaceutical firm in Kenya. He holds a PhD in pharmacy. However, he has not been involved in research and development of new products for two decades. Though turnover is not a problem for the company, Mr. John and his senior colleagues noticed that the workers on hourly basis are not working up to their full potential. It is a well-known fact that they filled their days with unnecessary and unproductive activities and worked only for the sake of a pay cheque. In the recent past, the situation has become quite alarming as the organization began to crumble under the weight of uneconomical effort. The situation demanded immediate managerial attention and prompt remedial measures. Mr. John knew well that the only way to progress and prosper is to motivate workers to peak performance through various incentive plans.

On one fine morning Mr. John contacted the personnel manager and enquired what is the problem with the workers on hourly basis. The wage bill shows that we pay them the highest in the industry. Our working conditions are fine. Our fringe benefits are excellent. Still these workers are not motivated. What do they require really? The personnel manager gave the following reply:

"I have already informed you a number of times, that money, working conditions are not enough. These things are equally important. One of the workers in that group recently gave me a clue as to why more and more workers are joining the bandwagon of non-performance. He felt bad and had to work and efficiency go unnoticed and unrewarded in our organization. Our promotions and benefit plans are tied to length of service. Even the lazy workers accordingly, enjoy all the benefits in the organization, which in fact, according to the workers, should go only to those who work hard." Mr. John then wanted the personnel manager to look into the problems more closely and find out a solution to the problems of workers on hourly basis. The personnel manager found out that there is a need to change the organizational culture, create groups and teams and change employees' attitude towards their job. And involve them in decision making.

REQUIRED

- a) Explain factors that lead to conflicts within an organization (10 marks)
- b) Explain the internal factors that could have contributed to employee's perception (5 marks)
- c) Explain the factors to consider when changing organization culture (10 marks)

QUESTION TWO

- a) Fayol is known as the father of management. Explain any seven of his contribution to the modern organization. (7 marks)
- b) Managers are reluctant to delegate. Justify the reasons why they do not want to delegate. (4 marks)
- c) Organizations have a social responsibility to ensure employees welfare. Explain the different strategies undertaken to manage employee stress. (4 marks)

QUESTION THREE

- a) Explain the relevance of organization behavior to any organization you are familiar with. (5 marks)
- b) Change is inevitable; explain any five reasons why people resist change. (5 marks)
- c) Individuals and different groups in an organization uses different tactics to obtain power. Discuss any five tactics. (5 marks)

QUESTION FOUR

- a) Explain the different functions of altitude within an organization. (4 marks)
- b) Work redesign helps in motivating employees. Explain briefly any three work redesign. (3 marks)
- c) Using Maslow's Needs hierarchy theory explain ways of motivating employees. (8 marks)

